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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: financing of the United Nations peacekeeping operations

Financing of the United Nations Logistics Base at Brindisi

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General (A/54/711 and A/54/733), which contain the financial performance report for the United Nations Logistics Base at Brindisi, Italy, for the period from 1 July 1998 to 30 June 1999, and the proposed budget for the Base for the period from 1 July 2000 to 30 June 2001. During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The Committee recalls that the Logistics Base has been operational since late 1994, carrying out tasks related to the maintenance of two-mission start-up kits in a state of readiness for deployment at short notice, offering services directly related to assets management, including refurbishment, maintenance and storage of serviceable assets from liquidating field missions, and providing communications support through the global satellite network to the United Nations, to peacekeeping operations and missions worldwide, and to several specialized agencies.

Financial performance report for the period from 1 July 1998 to 30 June 1999

3. The Committee recalls that the General Assembly, in its resolution 52/1 B of 26 June 1998, approved cost estimates of $7,141,800 for the financing of the Base for the period from 1 July 1998 to 30 June 1999, inclusive of $829,900 for the completion of two start-up kits. The unencumbered balance of $2,025,800 for the period from 1 July 1996 to 30 June 1997 was applied to the required resources, and the remaining balance of $5,116,000 was prorated among the approved appropriations of the individual active peacekeeping operation budgets to meet the financing requirements of the Base. Those amounts are reflected in the respective performance reports of each individual mission and in table 1 of the performance report for the Base (A/54/711).

4. As mentioned in paragraph 12 of the performance report, the expenditures for the period from 1 July 1998 to 30 June 1999 amounted to $6,690,000, including unliquidated obligations of $1,282,500. The resulting unencumbered balance of $451,800 is mostly due to

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civilian vacancies among international staff, as well as reduced requirements under transport and other programmes, offset by additional requirements for other equipment. The Committee was informed that unliquidated obligations had been reduced to $184,881 as at 31 December 1999.

5. Savings of $137,000 are reported under civilian personnel costs out of an apportionment of $3,967,200. An average of 19 international staff posts were encumbered out of the 20 authorized posts for the reporting period (an average vacancy rate of 7 per cent). Savings of $300,100 are also reported under operational requirements out of an apportionment of $3,124,600. The largest savings were under transport operations ($286,700), in view of lower costs per unit than budgeted for the start-up kits. Other savings resulted from underexpenditures under premises and accommodation ($33,800); communications ($27,200); supplies and services ($40,100) and freight ($2,000); these savings were partially offset by additional requirements under other equipment ($89,700) for office furniture, material-handling equipment and additional generator spare parts for in-house maintenance.

6. Paragraphs 4 to 11 of the performance report provide an overview on the implementation of the budget during the reporting period. In paragraph 11 it is indicated that surplus serviceable equipment, with an inventory value of $26.7 million, was received from three liquidating missions (the United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium, the United Nations Preventive Deployment Force and the United Nations Observer Mission in Angola); equipment valued at $6.6 million was transferred from other peacekeeping missions, and equipment valued at $23.7 million was transferred from the Base. In addition, the Base transshipped equipment valued at $3.5 million in support of peacekeeping operations, and equipment valued at $1 million in support of the specialized agencies and other non-Secretariat entities (see also annex I to the present report).

7. The Committee sought additional information regarding the miscellaneous income of $1,166,000 referred to in paragraph 12 of the performance report and was provided with the following information:

Miscellaneous income

Source of income	*Amount (United States dollars)*
Sale of surplus assets	1 000 499
Refund of prior year's expenditure	21 627
Reimbursement of airline ticket	1 464
Income from services rendered to missions/ agencies	7 079
Income from use of training facilities	7 803
Transfer of assets to agencies through material release orders	126 035
Settlement for damaged shipment and payment for deviation in travel plans	1 328
Investment income	651
Total	**1 166 485**

8. The Committee further enquired about support provided, on an as-required basis, to the specialized agencies, or funds and programmes such as the Office of the United Nations High Commissioner for Refugees and the United Nations Children's Fund. In this regard, the Committee notes that for the period under review, outgoing shipments were valued at $983,743, and incoming at $54 (see annex I.C and D).

9. The Committee further notes that, through its global network, the satellite communications relay system supports operations at United Nations Headquarters, and the offices at Geneva and Nairobi, in addition to 21 field offices, the Food and Agriculture Organization of the United Nations and the World Food Programme (WFP) in Rome. The information provided to the Committee is attached as annex II to the present report.

10. In paragraph 8 it is indicated that the Base executed several procurement actions in connection with urgent requirements for missions. Information provided to the Committee on procurement on behalf of other entities, which amounted to $262,339 for the period, is attached (see annex III). **The Committee welcomes this trend to explore the potential capacity for wider use of the Base. The Committee requests that the related workload be monitored and appropriate reimbursement sought for these services. Moreover, the Committee recommends that the potential of the Base for use as a regional**

procurement centre be explored with the missions in the area (see also A/54/841, para. 32).

11. As mentioned in paragraph 6 above, the Base received surplus serviceable equipment from three liquidating missions during the reporting period and, as further indicated in paragraph 10 of the Secretary-General's report, a total of $3,340,247 was provided from the budgets of those missions for the cost of repair, refurbishment and preservation of the equipment (equal to 30 per cent of the total depreciated value of the equipment), in accordance with the resourcing policy approved by the General Assembly in paragraph 9 of its resolution 52/1 B. The Committee notes that the total expenditure of $6,690,000 reported for the period under review for the Base does not include these related costs, appropriated under the budgets of the liquidating peacekeeping missions. Moreover, as stated above, the Base is beginning to perform other functions for the United Nations, its funds and programmes, and the specialized agencies in the areas of training, procurement, trans-shipment of goods on behalf of other clients, and increasingly, providing communications support services. **The Committee is of the opinion, however, that regardless of the source of funding, there is a need for more transparency regarding the total cost of the operation of the Base.**

12. Upon enquiry, the Committee was informed that, according to current budgeting practice and the approved resourcing policy, the cost of the transfer and refurbishment of transferred equipment is budgeted for in the individual peacekeeping missions. Therefore, the cost for the work done at the Base is not allotted to the Base but to the mission concerned and the related expenditure incurred by the Base is settled through inter-office vouchers between Headquarters and the Base. **The Committee recommends that the efficiency of this procedure be reviewed and that the full cost of these activities be disclosed in the next budget presentation.**

13. The Committee recommends acceptance of the Secretary-General's proposal (A/54/711, para. 14) to apply the unencumbered balance of $451,800, as well as the interest income of $114,000 and miscellaneous income of $1,166,000, to the resources required for the period from 1 July 2000 to 30 June 2001.

Cost estimates for the period from 1 July 2000 to 30 June 2001

14. The Committee recalls that the General Assembly, in its resolution 53/236 of 8 June 1999, approved the Secretary-General's cost estimates of $7,456,500 gross for the Base for the period from 1 July 1999 to 30 June 2000. The General Assembly also decided to apply the unencumbered balance of $1,373,600 for the period from 1 July 1997 to 30 June 1998 to the resources required for the period from 1 July 1999 to 30 June 2000, and to prorate the balance of $6,082,900 among the individual active peacekeeping operation budgets.

15. An amount of $9,317,400 gross ($8,481,300 net) is proposed for the maintenance of the Base for the period from 1 July 2000 to 30 June 2001. The amount proposed constitutes an increase of $1,860,900 in total gross resources (or 25 per cent) in relation to the apportionment for the period from 1 July 1999 to 30 June 2000, indicated in paragraph 14 above.

16. The Committee notes that expenditures under civilian personnel costs increase from $4,220,100 in the current budget (1999-2000) to $4,471,700 in the proposed budget (2000-2001). The resources proposed take into account the lower post adjustment for international staff established by the International Civil Service Commission for Brindisi, a 28.8 per cent increase for local staff based on the revised salary scale effective 1 March 1999, provision for staff assessment, and a vacancy rate of 5 per cent for international staff.

17. As indicated in section VI of the report of the Secretary-General A/54/733), the proposed staffing requirements of the Base would be 106 staff, including 23 international posts (10 Professional and 13 Field Service posts) and 83 locally recruited staff. The Committee notes that the Secretary-General is requesting three additional Field Service posts to perform technical support tasks in the areas of communications and electronic data processing, as explained in paragraph 13 of the report. This would increase the staffing from 103, during the current period, to a total of 106 for the period from 1 July 2000 to 30 June 2001. **The Committee recommends acceptance of this proposal.**

18. No provision is made under general temporary assistance. In this regard, the Committee recalls that in its previous report (A/53/895/Add.8, para. 21) it

recommended that, should surges in activity arise requiring temporary additional staff resources, consideration be given to charging the related costs to the mission concerned, reflecting the related costs in the relevant performance report, until such time as the Base is able to assess additional staff requirements in the light of experience. The Committee, however, took note of the statement contained in the Secretary-General's report, in response to the Committee's recommendation (A/53/895/Add.8, para. 18), to the effect that the present submission reflects the "resource requirements necessary to accomplish the basic functions of the Base", and that the concept of operations is currently under review with a view to expanding the scope of its responsibilities (A/54/733, annex III).

19. The Committee enquired about the future potential of the Base and was provided with the following statement:

> "The Department of Peacekeeping Operations intends to review the concept of operations for the Base during 2000-2001, to take into account the experiences gained during the Base's first year of operations, in particular its role in supporting the launch of several large new complex missions at extremely short notice during that period. The current role and function of the Base will be re-examined with a view to strengthening its responsibilities as a forward logistics base and *matériel* staging area for peacekeeping operations.
>
> "This review will also extend to the concept, make-up and financing of the mission start-up kits, which were heavily used during the mission launches and which are consequently in a depleted condition."

20. The Committee welcomes this review. The Committee was informed that the results of the review and the changes proposed will be reflected in the next budget proposal, together with a presentation of the requirements in a more programmatic manner, as requested by the Committee in its previous report (A/53/895/Add.8).

21. As indicated in annex I.A and C of the report, the estimate provides operational costs amounting to $3,966,600, reflecting an increase of $770,200 over the current budget. This includes additional requirements under premises and accommodation, which increase by $195,000 compared to the current budget, owing to the installation of fire safety systems throughout the premises. An increase of $494,700 under other equipment is to replace and upgrade data-processing equipment, servers and software which become obsolete during this period, and an increase of $336,500 under communications is for the purchase of equipment to upgrade the network infrastructure at the Base, considered essential to maintain its strategic role as an inter-mission communications hub. These increases are actually offset by decreases under transport operations ($227,800), as a result of a lower number of reserve vehicles, and supplies and services ($28,200).

22. The General Assembly, in its resolution 53/236, encouraged the Secretary-General to take additional steps with a view to wider use of the Base by the specialized agencies and programmes of the United Nations system, taking into account the observations of the Committee contained in paragraphs 12 and 34 of its report (A/53/895/Add.8). The Committee notes from the information contained in paragraph 10 of the Secretary-General's report that the World Food Programme has signed a certificate of acceptance by which it accepted the temporary possession of two buildings and the partial use of a third, pending the revision of the implementation agreement between the United Nations and the Ministry of Defence of Italy to include WFP in the implementation agreement and the formal handing over of those facilities to WFP. In the meantime, the renovation of one of those buildings is scheduled to be completed by June 2000.

23. The Committee also requested information on the space made available by the host country, the space yet to be made available and the current use of space by the Base. The Committee was informed that, under the terms of the memorandum of understanding, the Base was to receive a total area of 346,145 m^2, which would have been transferred in two phases. To date, the Base has been provided a total area of 194,670 m^2, with a total of 52,570 remaining to be handed over from phase I and 98,905 to be transferred in phase II. Of the total area of 151,457 m^2 remaining for transfer to the United Nations, 16,052 relate to buildings. The areas, including buildings, occupied by the Base are fully utilized in providing logistics support to operations of the Department of Peacekeeping Operations. Of the facilities transferred to date, the Base has relinquished control of two buildings to WFP, namely, a warehouse

(3,148 m^2) and a hardened shelter (933 m^2). Those buildings were transferred in the context of facilitating the relocation of WFP operations from Pisa, and to advance the establishment of a humanitarian response depot at the Base incorporating activities and supplies of WFP, the World Health Organization and the Office for the Coordination of Humanitarian Affairs.

24. The proposed budget includes a provision of $43,000 for training, to enable staff to participate in various training programmes with a view to updating management capabilities, technical skills and overall competencies. The training courses are given either at the Base itself or at manufacturing facilities when specialized equipment requirements are integral to the success of the training programme. A detailed breakdown is provided in annex II.A to the report, under item 29. The total estimate takes into account requirements for training instructors fees ($23,000), daily subsistence allowance ($5,000), travel of instructors to and from the Base as well as travel of Base staff to manufacturers' facilities and other administrative fees ($15,000).

25. The Committee welcomes the use of the Base as a training centre. In this regard, the Committee notes, as indicated in the performance report (A/54/711, para. 7), that 11 training courses involving 190 participants from 21 missions, agencies and offices were held at the Base during the period from 1 July 1998 to 30 June 1999, covering communication and networking technologies, procurement, personnel, finance and supervisory skills. The Committee notes that similar training took place under the auspices of the United Nations Peacekeeping Force in Cyprus. The Committee is of the opinion that criteria must be clearly set for determining training priorities and that central, regional or local facilities should be used whenever deemed cost-effective.

26. A provision of $23,832 for three staff members for 126 person days (one coordinator/trainer, one staff member to support the application software, and one to support data activities) is indicated in the report (A/54/733, annex II.A, item 4), for the installation of the contingent-owned equipment and expendable supplies modules of the field mission logistics system. The Committee notes that the Base is the designated technical support unit providing on-the-spot assistance and guidance to electronic data-processing units within missions in the eastern sector. As such it requires specified staff members to be trained in the technical and maintenance aspects of each application software module.

27. The Committee recalls that the field assets control system was the first element or module of the field mission logistics system for the United Nations-owned equipment portion of the maintenance tracking system to provide condition tracking and the necessary controls for management and expendable spare parts used in the maintenance of non-expendable property and attractive items. Information provided to the Committee (see annex IV to the present report) indicates that as of January 2000 the field assets control system has been implemented in 18 field missions and that the total inventory value maintained in the database has grown to approximately $500 million.

28. The Committee further enquired as to the use of the field assets control system to manage and control inventory and concluded, on the basis of information from representatives of the Secretary-General, that the overall objective and benefits of the system are yet to be achieved. The Committee notes that despite the passage of time and reiterated requests, inventory management remains a cause of concern. Standard inventory management procedures are still not in visible operation. For example, columns on standardized item code classifications for the different types of item on the inventory, their date of purchase, normal or anticipated life expectancy were not forthcoming. The Committee remains convinced that without such standardized system it is impossible to track inventory or cases of mismanagement or avoidable loss. Given the new surge in peacekeeping operations and the high inventory values involved, the Committee reiterates that such a system must be implemented within the shortest period of time.

29. The Committee was informed that the Office of Internal Oversight Services would be evaluating the use of the system by peacekeeping missions. The Committee welcomes this development and requests that the conclusions of the review be taken into account in the preparation of the report, requested by the Committee in its report on the financial reports and audited financial statements and reports of the Board of Auditors (A/54/801, para. 21), on the use of the field assets control system and its effect on procurement and the management of

peacekeeping assets, and the implementation of the inclusion in the system of such elements as those mentioned in paragraph 28 above, to be submitted to the General Assembly at its fifty-fifth session.

30. The Committee was informed that, as at 31 December 1999, the Base had an inventory of assets valued at approximately $55,330,104. This included the Field Administration and Logistics Division reserve, start-up kits and Base assets. The Committee also received an updated cost-benefit analysis of the Base, using data from the period from 1 July 1998 to 30 June 1999. The Committee notes that, with annual operating costs estimated at approximately $6,690,000, and the book value of material shipped out by the Base (saving the Organization the cost of new procurement) estimated at $23,757,000, it is concluded that for every dollar spent on running the Base the United Nations has saved $3.40 in new procurement costs. The Committee remains convinced, therefore, of the utility and good work performed by the Logistics Base for the Organization.

31. The action to be taken by the General Assembly at its fifty-fourth session is outlined in paragraph 3 of the Secretary-General's report (A/54/733). **The Advisory Committee recommends approval of the Secretary-General's proposal.**

Annex I

Transfer of assets during the period from 1 July 1998 to 30 June 1999

A. Outgoing shipments from the Base to peacekeeping and other assessed operations

	Field Administration and Logistics Division reserve			
Destinations	*Expendables (United States dollars)*	*Assets (United States dollars)*	*Total value (United States dollars)*	*Total (kilograms)*
1. Peacekeeping operations				
MINUGUA	3 687.50	0.00	3 687.50	64.00
MINURCA	259 114.29	755 232.68	1 014 346.97	191 501.20
MINURSO	505 357.73	182 167.29	687 525.02	118 252.50
MIPONUH	66 433.77	529 905.49	596 339.26	79 929.00
MONUA	56 949.79	50 540.00	107 489.79	14 309.00
UNAMET	280 834.81	2 172 249.76	2 453 084.57	96 775.00
UNDOF	134 483.87	412 112.48	546 596.35	107 725.00
UNFICYP	31 282.20	1 181 545.09	1 212 827.29	178 527.66
UNIFIL	404 179.37	3 226 792.35	3 630 971.72	779 520.00
UNIKOM	68 650.22	239 030.00	307 680.22	27 390.80
UNMIBH	226 496.72	2 006 119.41	2 232 616.13	286 261.00
UNMIK	461 941.30	2 945 871.49	3 407 812.79	391 419.90
UNMOGIP	47 052.99	105 216.86	152 269.85	8 391.50
UNMOT	66 335.82	500 874.01	567 209.83	89 807.00
UNOMIG	109 809.35	1 202 867.55	1 312 676.90	153 535.00
UNOMSIL	381 664.61	1 401 842.55	1 783 507.16	302 522.00
UNPREDEP	267 172.72	1 638 496.21	1 905 668.93	567 315.00
Support group	1 000.00	0.00	1 000.00	21.50
UNTSO	26 159.67	323 315.69	349 475.36	13 066.50
Subtotal	**3 398 606.73**	**18 874 178.91**	**22 272 785.64**	**3 406 333.56**
2. Other assessed operations				
United Nations Office in Burundi	0.00	15 000.00	15 000.00	23.00
United Nations Peace-building Support Office in Guinea-Bissau	8 653.25	74 429.75	83 083.00	5 010.00
United Nations Peace-building Support Office in Liberia	3 400.00	520.00	3 920.00	88.0
United Nations Political Office in Bougainville	8 355.86	198 634.16	206 990.02	8 938.00
Subtotal	**20 409.11**	**288 583.91**	**308 993.02**	**14 059.00**
3. United Nations Headquarters	**3 141.25**	**188 232.65**	**191 373.90**	**354.50**
Total	**3 422 157.09**	**19 350 995.47**	**22 773 152.56**	**3 420 747.06**

B. Incoming shipments from peacekeeping operations to the Base (1 July 1998-30 June 1999)

Origin	*Total value (United States dollars)*	*Total (kilograms)*
MINUGUA	574 [illegible]4.57	160 000.00
MINURCA	862 317.16	18 024.20
MINURSO	49 190.90	7 225.00
MONUA	12 274 816.73	313 800.00
UNDP/UNOMIL	20 000.00	44.00
UNIKOM	1 210 1[illegible]4.52	5 146.00
UNMIBH	2 731 606.77	79 573.60
MIPONUH	209 739.26	7 390.00
UNMOT	96 456.55	1 835.00
United Nations Office at Nairobi/UNAMIR	340 564.55	6 939.00
UNPREDEP	8 318 293.68	1 243 495.50
UNTAES/Support group	6 104 136.91	448 010.00
	32 791 821.60	**2 291 482.30**
United Nations Headquarters (for Field Administration and Logistics Division reserve)	469 362.50	976.00
Total	**33 261 184.10**	**2 292 458.30**

C. Outgoing shipments from the Base to specialized agencies, United Nations programmes and other Secretariat entities (1 July 1998-30 June 1999)

	Field Administration and Logistics Division reserve			
Destinations	*Expendables (United States dollars)*	*Assets (United States dollars)*	*Total value (United States dollars)*	*Total (kilograms)*
Office of the Special Representative of the Secretary-General for the Great Lakes Region, Kenya	1 510.00	4 036.80	5 546.80	36.00
International Tribunal for Rwanda	21 470.45	90 508.94	111 979.39	25 063.00
International Tribunal for the Former Yugoslavia	4 209.25	273 445.35	277 654.60	39 787.00
Office for the Coordination of Humanitarian Affairs/United Nations Office at Geneva	174.00	0.00	174.00	6.50
Office of the Iraq Programme (oil-for-food programme)	270.00	390.00	660.00	40.00
United Nations Guard Contingent in Iraq	97.90	3 140.00	3 237.90	31.00
UNHCR Albania	1 000.24	0.00	1 000.24	1 781.40
UNICEF Albania	2 490.48	84 786.47	87 276.95	11 213.00
UNICEF Denmark	200.00	0.00	200.0	18.00
United Nations Office of the Humanitarian Coordinator in Iraq	101 128.34	200 710.30	301 838.64	56 642.00
United Nations Special Mission to Afghanistan	3 339.23	28 051.79	31 391.02	7 749.00
WFP Albania	8 225.00	51 600.00	59 825.00	354.00
WFP Nicaragua	0.00	97 094.00	97 094.00	735.00
WFP Pakistan	5 865.00	0.00	5 865.00	115.00
Total	**149 979.89**	**833 763.65**	**983 743.54**	**143 570.90**

D. Incoming shipments from specialized agencies, United Nations programmes and other Secretariat entities to the Base (1 July 1998-30 June 1999)

Origin	*Total value (United States dollars)*	*Total (kilograms)*
Department of Humanitarian Affairs/Office for the Coordination of Humanitarian Affairs	54.00	0.78
Total	**54.00**	**0.78**

Annex II

Communications support provided by the Base for the period from 1 July to 30 June 1999

	Description of service provided				
Recipient	*Internet*	*E-mail*	*Telephone*	*Database replication*	*Field assets control system*
International Tribunal for Rwanda	X		X		
International Tribunal for the Former Yugoslavia			X		
MINUGUA		X	X	X	X
MINURCA	X	X	X	X	X
MINURSO	X	X	X	X	
MIPONUH		X	X	X	
MONUA			X	X	
UNAMET (May/June only)		X	X	X	
UNDOF			X	X	X
UNFICYP			X	X	X
UNIFIL			X	X	X
UNIKOM			X	X	X
UNMIBH	X		X	X	X
UNMIK (June only)		X	X	X	
UNMOGIP		X	X	X	X
UNMOT	X	X	X	X	
United Nations Office of the Humanitarian Coordinator in Iraq		X	X	X	
United Nations Belgrade			X		
UNOMIG	X	X	X	X	X
UNOMSIL	X	X	X	X	
United Nations Office at Nairobi			X		
UNTSO			X	X	X
United Nations Headquarters			X	X	X
Communications support via leased lines					
WFP			X		
FAO			X		
United Nations Office at Geneva			X		

Annex III

Procurement action on behalf of other entities (1 July 1998-30 June 1999)

Requisitioner	*Items procured*	*Value (United States dollars)*
MINURCA	Insect sprayers and insecticides, pesticides, anti-mosquito	4 939.19
UNAMET	Safety rigging materials	605.63
	Licence plates for vehicles	1 914.83
UNICEF	Forklift, 2-ton	23 798.58
UNMIK	Office furniture	33 799.49
	Car mats for vehicles	675.99
	Transport spare parts	1 708.42
	Stationery supplies	21 627.03
	Instant films	495.74
	Tyres	30 376.55
	Electrical material	4 426.65
	First-aid kits	17 034.95
	Trip ticket folders	432.63
	Air conditioners	8 746.23
	Jet A1 fuel	40 000.00
	Ferry tickets for shipment of vehicles	281.21
	Vacuum cleaners and floor scrubbers	4 565.28
	Ration packs	54 833.75
UNMOT	Coffins (5)	3 724.93
UNOMIG	Remote control for televisions	260.07
UNOMSIL	Office furniture	2 352.54
	Anti-theft devices	2 104.54
	Cylinder locks for vehicles	3 244.76
	Generator spare parts	390.24
Total		**262 339.23**

Annex IV

Field assets control system

1. As of January 2000, the field assets control system has been implemented in 18 field missions. The total inventory value maintained in the global field assets database has grown to nearly half a billion dollars. These figures are expected to increase considerably, as newly established missions expand (Kosovo, Democratic Republic of the Congo, East Timor and Sierra Leone).

2. There are three implementations remaining to be completed. Implementation in Sierra Leone is scheduled to commence on 9 February 2000; the follow-up mission in Angola will follow in March and the last implementation that is to take place in the Democratic Republic of the Congo will be scheduled when there is more clarity with respect to the situation on the ground.

3. The field assets control system was developed and implemented using the Organization's existing global mission communications, data storage and transmission infrastructure. Staff members assigned to asset management and inventory control functions in 18 field missions were provided training on the utilization of the system, technical electronic data-processing support and United Nations property control procedures. There are currently over 500 users in the field.

4. The system takes advantage of the selected modern commercial groupware platform, Lotus Notes, such that data collection is both transparent and interactive on a global basis. A standard item codification system and bar-coding mechanisms have been implemented enabling seamless integration and transfer of asset data between field missions and the Field Administration and Logistics Division, thereby eliminating many data entry redundancies.

5. The system provides the means for transparency of inventory tracking between missions and within each mission area. Commodity managers at Headquarters now have a near real-time view of the detailed inventory of peacekeeping assets, including condition and location through visibility of all the items of United Nations-owned non-expendable property currently in storage, undergoing maintenance, recommended for write-off and/or in use in missions. They can manage control and evaluate field mission holdings in a more tangible and expeditious manner. Transparency of inventory records also provides a deterrent for mismanagement of United Nations-owned equipment and is an effective tool to analyse inventory records and address any problem areas in a proactive manner.

6. The system provides an effective mechanism for ensuring prompt issuance of receipt and inspection reports by recipient missions. This means that the asset records are correctly reflected for newly acquired assets in field missions. The system also requires each asset to have a record of issuance for its subsequent issuance to end users with duly signed receipts. Responsibility for United Nations property is, therefore, placed on asset managers in the field and on each individual utilizing United Nations property. This promotes awareness of the need to maintain proper inventory control procedures and sustains accountability from mission start-up to liquidation, thereby creating an overall environment that is more conducive to effective control of United Nations property.

7. The system requires sustained regular updating of inventory records, which is monitored by specialist logistics units. It supports preparation of reports on the

disposition of assets of liquidating missions and in the resolution of discrepancies. Time and resources may be saved in comparison to past liquidations, therefore, where considerable effort was required to reconcile inventory records prior to disposition decisions. Recently, disposition decisions for liquidation of assets in MINURCA (Central Africa) and MIPONUH (Haiti) were processed on-line in the field assets control system.

8. The field assets control system was the first element of the field mission logistics system for the United Nations-owned equipment portion of the maintenance tracking system to provide condition tracking and the necessary controls for management of expendable spare parts used in the maintenance of non-expendable property and attractive items. The element for controlling and reimbursing contingent-owned equipment is scheduled for implementation in East Timor in March 2000.